

COUNCIL ON FOREIGN RELATIONS, INC.
THE HAROLD PRATT HOUSE 58 EAST 68TH STREET
NEW YORK 21, N. Y.

October 22, 1951

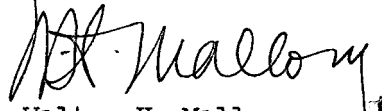
Allen W. Dulles, Esq.



Dear Allen:

I send you, herewith, the agenda and documents for the meeting of the Committee on Studies which will be held Thursday, October 25th at the Century Club. I am sorry that you cannot be with us then.

Sincerely yours,


Walter H. Mallory
EXECUTIVE DIRECTOR

11
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AGENDA

Committee on Studies
Council on Foreign Relations
Thursday, October 25, 1951

Century Club
7 West 43rd Street
12:45 p.m.

1. Approval of minutes of previous meeting
2. Calendar for this year's meetings
3. Co-option of new member of Committee
4. Consideration of report on Council activities

Grants from Carnegie and Rockefeller Foundations -
Mr. Mallory

Study groups - Mr. Bidwell

Discussion groups and meetings - Mr. Franklin

Publications - Mr. Bidwell

Foreign Relations Committees - Mr. Barber

Newspaper Fellows - Mr. Barber

5. Problems of financing research at the Council

12

CONFIDENTIAL

Council on Foreign Relations

COMMITTEE ON STUDIES
Meeting of

June 14, 1951

Present: Henry M. Wriston, Presiding
Hamilton Fish Armstrong
Joseph Barber
Percy W. Bidwell
William Diebold, Jr.
George S. Franklin, Jr.
Walter H. Mallory
Beardsley Ruml
Richard P. Stebbins

MINUTES OF LAST MEETING

On motion duly made and seconded, it was unanimously

VOTED: that the minutes of the May 14, 1951, meeting of the Committee on Studies be approved.

CARNEGIE NEWSPAPER FELLOWS

Mr. Barber reported that the number of applicants for fellowships was smaller this year than it had been previously, and that there was an even greater disposition on the part of newspapers and press associations to refuse permission for their men to take the fellowships. Nevertheless, the selection committee, composed of Messrs. Carroll Binder, Gardner Cowles, John K. Jessup, Edward R. Murrow, and Walter H. Mallory, had four good applicants to choose from and selected Mr. George Palmer, Rome correspondent of the Associated Press, and Mr. Hal Lehrman, free-lance foreign correspondent specializing on Eastern Europe. Mr. Grayson Kirk was also a member of the committee, but left for Europe without having had a chance to vote.

On motion duly made and seconded, the Committee unanimously

VOTED: that the selection of Mr. Palmer and Mr. Lehrman as Carnegie Newspaper Fellows at the Council for the year 1951-1952 be approved.

13
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REVIEW
APPROVED
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In view of the fact that the newspapers and press associations apparently do not feel these fellowships are sufficiently worthwhile to justify the necessary leave for their ablest correspondents, Mr. Armstrong and Mr. Mallory both wondered whether the project should be continued. Mr. Barber felt we were committed to go ahead this year, to which the Committee agreed, but it was also agreed that before the project were continued for another year, it should first be thoroughly re-examined by the Committee on Studies.

STUDY GROUP ON AID TO EUROPE

Mr. Mallory reported that Mr. Lindsay Rogers expects to finish next month the manuscript of the political companion book to Mr. Ellis' "Economics of Freedom." It was agreed that the manuscript should be mimeographed and distributed to members of the group and that a meeting should then be held to discuss it. Mr. Wriston also suggested that four or five members of the group should each be assigned certain chapters on which they would be responsible for reporting to the group as a whole.

OBJECTIVES OF "THE UNITED STATES IN WORLD AFFAIRS"

Mr. Stebbins referred the Committee to the attached memorandum in which he outlined four problems on which he wished its guidance. It was agreed, as Mr. Stebbins proposed, that "a balance between the 'educational' and 'reference' aspects of the volume should be maintained." Mr. Wriston stated, however, that, in his opinion, the educational use of the volume would probably decline. He believed that the work would be primarily used by the public as a reference work, though its educational value must also be taken into account. Mr. Mallory believed that the volume does not cover a long enough period of time to be attractive for text-book use.

In this connection, Mr. Stebbins suggested it might be useful if the first 200 pages were devoted to a summary of the period since the end of the war. Another alternative, he said, would be to publish a separate summary volume, covering this period. Mr. Ruml suggested that it might be better for this summary to serve as the main book with the annual volumes as supplements. Mr. Armstrong and Mr. Wriston both asked Mr. Stebbins to prepare a memorandum on this question for the next meeting of the Committee.

The other three questions raised by Mr. Stebbins concerned the length of the volume, the date of publication, and the extent to which the author should attempt to interpret events as well as to state them. Mr. Wriston believed that Mr. Stebbins should attempt a critical interpretation of our foreign policy, but that each volume must be as objective as possible without being sterile. The Committee agreed. As far as length was concerned, he believed it would be difficult to reduce this below the present approximately 450 pages. Mr. Armstrong suggested that the volume might be compressed if Mr. Stebbins did not aim to include all foreign policy questions in each annual volume, but dealt with certain of the less important subjects and areas only once every three years or so. Mr. Stebbins was not in favor of this suggestion, as he felt that the volumes were useful partly because each gave complete coverage of all significant events taking place in the year under consideration.

Mr. Stebbins explained to the Committee that it would probably be impractical to publish future volumes before the middle or end of May. The Committee concurred.

EXCHANGE OF PUBLICATIONS

On motion duly made and seconded, it was unanimously

VOTED: that Miss Savord be authorized during the year 1951-52 to send \$300 worth of selected Council publications to institutes of international relations

abroad and to send an additional \$100 worth of such publications to other organizations in exchange for the publications needed for the Council library.

STUDY OF INDIAN-AMERICAN RELATIONS

Mr. Wriston reported that in a letter to Mr. Leffingwell, Mr. Hoffman proposed sending a committee of notable Americans, men such as Dr. Arthur Compton, Dr. Ralph Bunche, Justice Douglas, and also Mr. James Yen, to India to explore the differences in policy between the two countries and to explain the American point of view to India. It was anticipated that their trip would take about six weeks and that on their return they would make a report of their findings and recommend other projects which the Ford Foundation might undertake to improve Indian-American relations. Mr. Wriston stated that in his opinion there was no question that our relations with India needed understanding, but he was doubtful about the technique, especially in view of the fact that none of those mentioned had any real competence on Indian affairs. He also reported that the mission which he sent to India last year under the chairmanship of Dr. Arthur Compton had had no significant results.

Mr. Mallory suggested that the Council should propose to the Foundation the formation of a group similar to our British-American group and that after thorough briefing and discussion, some members of this group might go to India to talk with Indian leaders at first hand and to report back any findings and recommendations which they believed might be of value. Mr. Rumel suggested that in organizing this group we should inform ourselves of those companies trading with India, since some of their leaders might be desirable group members.

He emphasized that we should by all means be frank in criticizing any suggestion a foundation may make to us.

GERMAN PROJECT

Mr. Ruml reported that Mr. H. Christian Sonne claims to have a \$60 million proposal which would "save" Western Germany. He asked whether the Council would be willing to form an ad hoc group, composed of men like Mr. Frank Altschul and Mr. Allen Dulles, to examine this proposal. It was agreed that if Mr. Sonne desired, the Council should form such a group and advise him on the merit of his proposal.

COMMITTEES ON FOREIGN RELATIONS

Mr. Barber submitted to the Committee on Studies a memorandum on the "Status of the Committees on Foreign Relations." In this, he pointed out that there are two possible alternatives, either to discard the concept of annual expansion, which has motivated the administration of the Committee program since its inception thirteen years ago, or to continue to exploit the potentialities for annual growth, which would mean the establishment of additional committees each year, the initiation of individual study projects for specific committees, and perhaps the sponsoring of regional conferences of committee members. In any event, said Mr. Barber, an increase in the present \$30,000 budget would be inevitable. He suggested that the first alternative would require a budget of about \$37,500 for the next two years, while the second alternative would require a gradually increasing budget of \$40,000 for 1951-52, \$43,000 for 1952-53, and \$47,000 for 1953-54.

Mr. Wriston stated that he had presided at the annual dinner of the representatives of the Council's Committees on Foreign Relations and had been very much impressed by the depth of their interest. He believed the Committees are a very important yeast in the development of this country's thinking on foreign policy and should by all means be expanded along the lines of Mr. Barber's second alternative.

On motion duly made and seconded, it was unanimously
VOTED: that the Council staff be requested to secure the funds necessary for expansion of the Committee project along the lines proposed in Mr. Barber's memorandum.

It was suggested that the Carnegie Corporation be asked first whether it wished to support the expansion of the project and that, if not, the Council should turn to some other source, possibly the Ford Foundation.

Mr. Ruml stated that, in his opinion, the usual fee for a Committee speaker, \$75, is extremely small. He asked whether the Committees themselves might not provide larger contributions to make more ample fees possible.

EXPANSION OF RESEARCH AND PUBLICATION

Mr. Bidwell presented to the Committee his revised memorandum on "A Development Program for the Council on Foreign Relations," a copy of which is attached. The memorandum proposes expansion of the Council's work of research and publication by the addition of three research fellows at the assistant or associate professor level, together with the necessary stenographic and library assistance, and including also a specialist in marketing publications, who would be useful not only for the new expanded output, but for the present output as well. He drew particular attention to the budget on page 12, calling for total additional expenditures of \$44,000.

Mr. Ruml asked whether this budget includes all the costs of the expansion. Mr. Bidwell pointed out that it does not include such things as the necessary increases in furniture and equipment, nor any item for overhead. Mr. Ruml believed that any budget should completely cover out of pocket costs, but he thought it would be undesirable for projects to bear also a part of Council overhead, since the Council would then become dependent on these projects

for its basic operations. He did, however, believe it would be well to provide a contingency item of 5 to 10 per cent to take care of any unforeseen expenses, as well as inflation. Mr. Ruml suggested attempting to secure the necessary funds from the Standard Oil Company of New Jersey. He said Mr. Frank W. Abrams, Chairman of the Board of the company, had told him of his desire to give some relief to colleges at the present time, and of his difficulty in doing so, since support of colleges is not very closely related to the company's interests. Mr. Ruml suggested that through employment in the Council our project would help in a small way to ease the strain of excess teachers caused by the draft and, being in the international field, would be in the direct line of the company's interest. Also, in view of the excess profits tax, it would only cost the company about thirty cents on the dollar. He added that a large contribution by the New Jersey Company would be a very useful precedent for the Council to establish.

Mr. Franklin asked whether there would not be a considerable disadvantage in having the Council dependent in this way on large business interests. Mr. Ruml felt this would not be the case, since the grant would be made without any strings attached.

Mr. Mallory suggested that it might also be possible to obtain a substantial contribution from I.B.M. At Mr. Ruml's suggestion, he agreed to talk over the whole question of company contributions with Mr. Frank Altschul.

Respectfully submitted,

George S. Franklin, Jr.

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MEMORANDUM FOR THE COMMITTEE ON STUDIES

FROM: Richard P. Stebbins

SUBJECT: Draft Statement on Objectives of
THE UNITED STATES IN WORLD AFFAIRS

The following paragraphs represent an attempt to clarify the objectives of THE UNITED STATES IN WORLD AFFAIRS in the light of past directives of the Committee, experience gained in the preparation of the last two volumes, and observation of developments which must be dealt with in the next volume. A fresh expression of the Committee's views would be particularly helpful at this time while plans for the 1951 volume are still fluid.

1. Purpose. THE UNITED STATES IN WORLD AFFAIRS is designed to present an interpretive record of United States foreign relations which should appeal equally to specialists, laymen, and students. It aims to combine an "educational" and a "reference" service by presenting its subject matter in terms intelligible to the general reader, but with sufficient detail and documentation to assist the serious student. A balance between the "educational" and "reference" aspects of the volume should be maintained even though it is recognized that the result is a somewhat hybrid product.

2. Interpretation. In interpreting his material the author will have to make certain judgments about the degree to which particular courses of action conform to the permanent interests of the United States and the canons of effective diplomacy. In so doing he should take no a priori position for or against the views or actions of any individual, administration, or political party. On the other hand, he has an obligation to evaluate critically all actions, attitudes, and pronouncements, whatever their source, which have a significant bearing on the position of the United States in world affairs.

3. Length. The text of the annual volumes should be as short as is consistent with the dual objective set forth in paragraph 1. It is recognized, however, that under present conditions the text of future volumes probably cannot be reduced much below the level of 443 pages attained in the 1950 volume.

4. Publication date. The annual volumes should be published as early as practicable in the following year. It is recognized, however, that for various technical reasons it will probably be impracticable to publish future volumes before the middle or end of May.

June 13, 1951.

CONFIDENTIAL

June 1, 1951

COUNCIL ON FOREIGN RELATIONS

Committee on Studies

The attached Development Program is a revision of my memorandum of May 1, The Need for an Expansion of Research and Publication, which was considered by the Committee at its meeting on May 14.

The Committee, having approved the memorandum in principle, asked me to put it into form suitable for presentation to a foundation with an application for funds.

Percy W. Bidwell

A Development Program
for the
Council on Foreign Relations

The American people are faced with a situation of great tension in international affairs which may continue for some years. Our national existence may depend on their ability to stand the strain without surrendering to either the appeasers or the warmongers. The propaganda of pressure groups and the dogmatic assertions of columnists and radio commentators tend to increase the strain by bringing about an artificial polarization of opinions. To the man in the street, and even to many intelligent laymen, their plausible solutions and ready-made answers are a welcome substitute for the painful processes of independent judgment.

Under these circumstances the work of an organization like the Council on Foreign Relations acquires added significance. Its mission is to provide expert analysis of foreign policy problems, to stimulate thought, to encourage calm reasoning and independent judgment, and to caution against the hasty adoption of extreme measures. In general terms the Council exists to inform and educate American opinion and to push forward the boundaries of knowledge in the field of international affairs.

During its early years, after World War I, when isolationism was so widespread in this country, the Council's task was to keep alive the realization of America's place in the world. Now it has a somewhat different, but equally important, task. Most Americans now acknowledge that their country is firmly committed to international collaboration. They go even further; they understand that, because of America's great power and wealth, it must assume the role of leader in world affairs. Hence the

new problem which confronts an organization like the Council is to see to it that the country plays its part wisely and well. To this end Americans, especially the leaders of opinion, must be helped to understand world affairs and to make up their minds what policies are to be followed.

This new responsibility places a burden on the Council to expand its operations and make them more effective as an educational force. This can be done principally in three ways: (1) by expanding the output of Council publications based on research studies undertaken both by study groups working at the Harold Pratt House and by outside authors; (2) by increasing the number and improving the quality of Council discussion groups; and (3) by increasing the number of local Foreign Relations Committees, giving each more help in securing speakers and organizing discussions.

The work of the 25 Committees on Foreign Relations established since 1938 is now financed by a grant from the Carnegie Corporation. The future of this program is the subject of a separate memorandum. The present memorandum, therefore, is devoted only to the needs of the Council for expansion of the work at the Harold Pratt House and particularly for research and publication.

To carry out an expanded program of research and publication the Council would like to add to its staff three young men of the rank of assistant or associate professor in the age group, 30-40, ⁽¹⁾ who are particularly competent in political science and modern history. We would like to appoint each of these men for a three-year term, during which he would undertake a major piece of research with a view to publication of its results by the Council. The establishment of these fellowships, as we

(1) If during the first year of the new program we were not able to find suitable appointees in this group, we might wish to appoint one or two younger men for terms of one or two years each.

point out later, should benefit not only the Council but the recipients and through them the universities. The quality of the fellow's teaching should show great improvement, as the result of contact with practical affairs and his association with Council members with a wide range of interest and experience.

Council activities -- meetings, discussion groups, study groups, research and publication, as they have developed over the past 25 years -- are all interrelated and interdependent. With the present staff and facilities the Council is operating at capacity. Hence the appointment of the new research fellows, if they are to get the maximum benefit from their period of residence and if they are to make the best contribution to the Council's work, will make necessary some expansion of all the Council's facilities. Otherwise serious bottlenecks will develop. Specifically, the addition of new fellows will require more office space, the expansion of the Council's library and of the secretarial staff. Their work with the study groups, we expect, will increase the output of Council books. Getting these books and other publications of the Council into the hands of the reading public is a job of first-class importance. In the preparation of this application for funds attention has been given to all of these needs.

In the pages which follow there is presented

- (1) a description of Council activities as now conducted,
- (2) a statement of the need for expansion, and
- (3) a proposed budget.

I

What the Council Is Doing NowMeetings

Council activities fall roughly into two categories: (a) Meetings for Council members and members of Foreign Relations Committees, and (b) study groups, research and publication. During the current year we have held 21 afternoon meetings, open to all members, and 15 dinner meetings, to each of which only a limited number of members were invited. Three discussion groups held 13 meetings, in addition to the meetings of study groups which are described later (see p. 7). At these meetings distinguished diplomats and statesmen, both Americans and foreigners, military leaders, civil servants, journalists and scholars spoke frankly and informally on international affairs and foreign policies. Patterned on Council meetings are those of the Committees on Foreign Relations organized under Council auspices in 25 American cities.

Council meetings of the various types described have a common purpose, distinct from the purpose of the study groups. The meetings are undertaken in the first instance for the benefit of the participants -- Council members and members of the Foreign Relations Committees -- to widen their knowledge and to deepen their understanding of foreign affairs, and to stimulate their sense of responsibility for American policy. Indirectly, the meetings influence a much wider circle, including the friends and acquaintances of the participants and their associates in business and politics. Thus they contribute to the formation of an enlightened public opinion.

The educational process involved in the exchange of views at Council meetings between the members and the speaker -- whether he be a foreigner or an American -- is not a one-way affair. The speaker learns from the questions and the comments of his audience. If, as often happens, he is a

policy-making official or an important journalist, he may get from the meeting a better appreciation of the temper of American thinking and a new understanding of the forces that shape American policy.

Study Groups, Research and Publication

Through its publications the Council aims to extend its educational work broadly throughout the country. In addition to its quarterly, Foreign Affairs,⁽²⁾ the Council publishes two annual volumes, The Political Handbook of the World (edited by Walter H. Mallory) and The United States in World Affairs under the authorship of Richard P. Stebbins. Each year the Council issues in pamphlet form a survey of opinion on a current issue of American policy compiled by Joseph Barber from answers to questionnaires directed to the members of Committees on Foreign Relations.

In addition, the Council publishes special studies in the field of foreign policy. These are principally monographs which attempt to analyze, to interpret and to throw new light on American participation in international affairs and American foreign policy. Titles published since 1947 include:

The Study of International Relations. By Grayson L. Kirk (1947)

The Price of Power. By Hanson W. Baldwin (1947)

The Problem of Germany. By Carl E. Schorske and Hoyt Price (1947)

Public Opinion and Foreign Policy. By Lester Markel and others (1949)

Our Farm Program and Foreign Trade. By C. Addison Hickman (1949)

The Economics of Freedom. By Howard S. Ellis (1950)

War and the Minds of Men. By Frederick S. Dunn (1950)

(2) Foreign Affairs, which has a separate budget, is not considered in this application.

Publication Plans, 1951 and 1952

Books in preparation are listed below, with tentative dates of publication:

Economic Cooperation in Western Europe, 1947-1950. By William Diebold, Jr. (1951)

Aid to Europe: Political and Military Aspects. By Lindsay Rogers (1951)

The Case of Korea: A Study of American Policy and Action in the United Nations. By Leland M. Goodrich (1951)

The Power of the Soviet Union. By Philip E. Mosely (1952)

Air Transport and Foreign Policy. By Oliver J. Lissitzyn (1952)

One of the most impressive research projects which the Council has undertaken, Langer and Gleason's history of American foreign policy during World War II, will produce its first publication in early 1952. The authors, after five years of intensive effort, have turned in the manuscript (250,000 words) of Volume I. The title will be The Challenge to Isolation, 1937-1940. The second volume is now in preparation.

II

The Need for the Expansion of Research and Publication

There is a real need for more first-class studies dealing with American foreign relations, or international relations in which the United States has an interest. In particular, there is urgent need for books written by recognized experts in their field who are also qualified, either by their own experience or through association with men of affairs, to apply mature judgment to questions of policy. The excellent and numerous publications of other research organizations only partially fill existing

needs. University presses and commercial publishers are putting out each year an increasing number of useful works on American foreign policy and world affairs. There is a place, however, for publications which stand between the university presses and the commercial publishers, somewhat as Foreign Affairs stands between the learned journals and the New York Times. This is the type of book which the Council is qualified to produce.

The Council adds to the number of useful books in two ways.

(1) Occasionally it commissions a book. When the Committee on Studies has determined that a gap needs to be filled, i.e., that a subject needs investigation, it selects an author, provides financial aid and undertakes to publish his work. Langer and Gleason's history is an example of this procedure. For the most part, however, Council publications have taken their origin in study groups.

(2) Study groups have proved a useful means of stimulating research through the collaboration of a scholar with a small group of Council members, some selected because of special knowledge of the subject under consideration, and others because of good judgment and practical experience. By this procedure the scholar's conclusions are subjected to the test of first-hand knowledge, and obversely the impressions of men who have been on the spot are analyzed in the light of economic and political theory and set in the perspective of history.

The principal aim of the study group procedure is to produce a book; it has, however, several valuable by-products: (1) It provides a most useful experience for the scholar-teacher who acts as research secretary and who writes the book. Association with men of affairs broadens his outlook and deepens his understanding of the conditions in

which foreign policies are made. (2) Working with Council study groups should improve the quality of his teaching after he returns to the university. Thus he will transmit the benefits of his experience at the Council to his students.

(3) The group educates its members. Among the participants each year in Council study groups are some who are later called upon to deal with foreign affairs in Washington or abroad. The roster includes the names of General Eisenhower; John J. McCloy, U.S. Commissioner for Germany; George N. Shuster, U. S. Commissioner for Bavaria; Edward J. Miller, Jr., Assistant Secretary of State for Latin American Affairs; Edward Barrett, Assistant Secretary of State for Public Affairs, and many others. The list could be considerably expanded by the inclusion of men now in policy-making posts in Washington. In the opinion of these men their participation in meetings at the Harold Pratt House or in the local Committees has proved of considerable value in their current or subsequent public careers.

Additions to the Research Staff

Additions of three research associates to the Council's staff will be necessary if the Council is to expand substantially its program of research and publication. Even without aspiring to cover the entire field of international relations, geographically or functionally, we shall need more experts "on tap." Since one of our principal objectives is to increase the Council's output of publications, we would not want to engage anyone unless we thought he had ability to turn out publishable work. In addition, we should expect him to take an active part in the work of study and discussion groups.

Much can be done with the aid of additional staff to improve the work of discussion groups. These groups should more often have before them at their meetings short working papers, similar to those now used in study groups, which would provide a background of fact, focus discussion on significant questions of policy and relate the subject matter to that of previous meetings. Preparation of good working papers of this type is no easy task; it requires knowledge of the subject matter, discrimination and familiarity with the processes of learning by discussion -- and it takes time. With additional staff, moreover, we should be able to use our discussion groups more productively. Reading over the carefully kept records of their meetings, one often comes across much good material, suggestions, original ideas and points of view which now are not adequately exploited. These deposits, if "mined" systematically, might yield memoranda useful to the policy-forming agencies of government or make useful contributions to Council publications.

Library

Since the Council's Library serves all other Council activities every new research project, with its attendant increase in Council staff, adds to the demands made on the Library. Moreover, the critical state of world affairs has brought an increased flow of documentary and other material which must be sorted, appraised, classified and cataloged, or filed. The increase in the bulk of new material requires greater attention to selection, in order not to overload the collection with unimportant items.

To take care of the needs of the expanded program of research and publication, the Library needs one additional well-qualified professional worker and a secretary-stenographer. With these additions to the staff the Library could keep more nearly up-to-date with incoming material and could initiate two new services helpful to the Council's staff and to all who make use of our collection, viz., a weekly listing of new documents, pamphlets and other material currently received and the compilation of a card index to periodicals not indexed in any printed index.

The Marketing of Council Publications

The sales of Council books published since 1947 are shown in Table I appended. If Council publications are to make as much impact as they deserve on American thinking on foreign policy, they should reach a much wider circle of readers than at present. Under the plan for the appointment of research fellows and the expansion of research activities, we anticipate a substantial increase in publications, both commissioned books and those which take their origin in the study groups. Bringing them effectively to the attention of the reading public involves appointing as a permanent member of the Council's staff a specialist in book selling. The job involves a systematic study of the marketing methods of commercial publishers, university presses and research organizations and their adaptation to the needs of the Council. As a member of the Council's staff this specialist would participate in the planning of books, in negotiations with authors and in editorial conferences. His advice at all stages in the production of books should increase their attractiveness and their value to the reading public.

Table 1

SALES OF COUNCIL BOOKS
1947-1951

	<u>Total volumes</u>
Books sold only by the Council:	
<u>Foreign Affairs Index</u> (Vols. 1-25), 1947	1,014
<u>The Problem of Germany</u> , 1947	1,206
<u>The Study of International Relations</u> , 1947	740
<u>American Agencies Interested in International Affairs</u> , 1948	919
<u>Our Farm Program and Foreign Trade</u> , 1949	339
Books sold through Harper's and by the Council:	
<u>Foreign Affairs Reader</u> , 1947	1,710
<u>The Price of Power</u> , 1947	11,249
<u>Public Opinion and Foreign Policy</u> , 1949	2,825
<u>The Economics of Freedom</u> , 1950	3,060
<u>War and the Minds of Men</u> , 1950	2,347
<u>The Political Handbook of the World</u> (1947-50 average)	3,912
<u>The United States in World Affairs</u> (1947-50 average)	4,255

III

The Financial Plan

The Committee on Studies has estimated that the expansion of Council activities along the lines indicated above would require an addition to our research budget of \$44,000 annually. This figure breaks down as follows:

3 Research Fellows, salaries at \$7,000 each	\$21,000
Travel allowances (for Research Fellows)	2,500
1 Secretary and Research Assistant (for Research Fellows)	3,000
1 Stenographer (Office of Asst. Executive Director)	2,500
1 Specialist in Marketing Council Publications	6,000
1 Assistant in Business Office	2,500
1 Professional Library Assistant	4,000
1 Stenographer (for Librarian)	2,500
	<hr/> \$44,000

Ideally, because of the interdependence of the various Council activities, they ought all to expand at the same time. Practically, this may be impossible. It may not be feasible, for example, to appoint all three research fellows in 1951-52. Furthermore, desirable candidates may need six months or longer to free themselves of present commitments in teaching and research. The selection of other personnel, particularly a professional assistant for the Library and a specialist in the marketing of publications, ought not to be undertaken too hastily. Additional working space, also, may not be immediately available. For these reasons it seems probable that the need for funds during the first year of the new development would be considerably less than what will be needed in the second and following years. The proposed budget, therefore, is submitted with the understanding that sums not required in 1951-52 would be carried over and would decrease the grants for subsequent years.

October 18, 1951

COUNCIL ON FOREIGN RELATIONS

Committee on Studies

Report on Council Activities.

June - October 1951

The meeting of the Committee on October 25 will be devoted principally to the discussion of problems of financing the Council's research activities.

In order to economize time for this important subject, members of the staff have prepared brief memoranda giving significant facts regarding their activities since the June meeting. They will be glad to supply additional information if the Committee so desires and to answer questions about their work.

Walter H. Mallory
EXECUTIVE DIRECTOR

Percy W. Bidwell
DIRECTOR OF STUDIES

Carnegie Grant for Research and Publication

At its meeting on June 14, this Committee approved a three-year plan for the expansion of the Council's research and publication activities involving an estimated expenditure, in addition to sums currently spent, of \$44,000 annually. Application was then made to the Carnegie Corporation for a three-year grant of that amount. Our plan was built around the appointment of three scholars, of assistant or associate professor rank, for terms of three years each, to be spent in research in connection with Council study groups.

The officers of the Corporation have agreed to recommend a grant of \$75,000, payable over three years, "for a trial of the fellowship idea." This will cover the stipends of the fellows with some allowance for secretarial assistance, but makes no provision for the expansion of library facilities nor for assistance in marketing Council publications.

The terms of the grant are flexible. If the Board follows the recommendation of the officers, the money will be made available to the Council "on such terms as to give the Council the utmost latitude in determining the optimum tenure of the fellowships and the basis of selection."

We have in mind already two first-class young scholars who might qualify for appointment. We suggest that this Committee designate one of its members to serve with the Executive Director and the Director of Studies as a Committee on Selection of Carnegie Research Fellows.

Political Implications of Economic Development

The Rockefeller Foundation, at a meeting on September 29, granted the Council \$25,000, to be available over a period of two years, for a study of "Political Implications of Economic Development."

Dr. Eugene Staley has accepted appointment as director of the study. He will come to New York to begin work in January, expecting to remain on the job, full-

time, for a year. He will then return to California to complete the job on a part-time basis.

Stacy May has agreed to act as chairman of the study group.

United States Policy in the Middle East

At its May meeting this Committee authorized the organization of a study group on the strategic problems of the Middle East as a part of the 1951-52 program. The Director of Studies then conferred with a number of authorities in this field, including J. Terry Duce of the Arabian-American Oil Company, Herbert Feis, and Harold Hoskins who is now in Washington as consultant to the State Department on Middle Eastern affairs. Mr. Hoskins, who was particularly helpful, said that he would join the group and might submit questions for discussion.

As a result of these conferences and discussions in the staff, it has been decided:

1. To broaden the scope of the study so as to include, in addition to military affairs, other factors affecting U.S. interests and U.S. policy, such as the dispute over Iranian oil and nationalist movements in Egypt and the Israel-Arab conflict;
2. To broaden the membership of the group so as to include not only experts from government, the oil industry and the universities, but also 10 or 12 laymen from the Council's membership;
3. To conduct the meetings for this year as a discussion group with speakers, but with the assistance of a paid research secretary. Dr. J. C. Hurewitz, lecturer on Middle Eastern Affairs in the School of International Affairs at Columbia University, has been engaged for this work.
4. At the conclusion of this year's series of meetings we should consider the possibility of reorganizing the group, restricting its membership and working toward a publication.

Our suggestion for chairman, Mr. George Brownell of Davis, Polk, Wardwell,
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Sunderland and Kiendl, was approved by this Committee at its May meeting. Mr. Brownell at first declined, on the ground that he was not an expert on Middle Eastern affairs, but he has finally agreed to preside at the meetings.

Anglo-American Relations

The continued keen interest of the members of this group is shown by their attendance at meetings on August 9 and September 19. (The next meeting will be held this evening.)

While the cooperation of the Chatham House group is not all that was hoped for, substantial progress is being made in understanding British policy and in uncovering sources of conflict with American opinion and American policy. The chairman and rapporteur will sail for England on October 31, to take part in meetings of the Chatham House group.

Strengthening Democratic Leadership Abroad

The study group on Strengthening Democratic Leadership Abroad resumed its meetings on October 24. Mr. Taylor, Director of the study, spent two months this summer with HICOG in Germany and a month in France. He has now begun writing a book based on his research and on the discussions of the group.

Power of the Soviet Union

Professor Mosely has contributed the following statement of progress on his study.

"During the current year 1950-51 this project moved forward in two important respects. During the period October - December 1950 Dr. Mosely was able to visit some ten countries of western and central Europe, including Finland and Yugoslavia, and to discuss Soviet problems with a representative selection of persons both in the field of scholarship and public affairs. This journey was not intended to provide detailed information, but rather to examine points of view, changes over

the last two years and to open continuing sources of information for reference during the final stage of the preparation of the study. In these respects it was a useful trip.

"In a second respect much progress has been made. This involves the gathering together of carefully prepared memoranda by ex-Soviet scholars and experts on particular phases of the problem to be dealt with. For example, several valuable studies are about to be made available concerning changes in the Soviet economy in the Arctic and its effect on the Soviet industrial and political strategy, on conflicts among Soviet governmental agencies on the one hand and between Soviet military government in Germany and the authorities in Moscow, and policies of economic exploitation in certain satellite countries. As these studies become available in the next few months, they will add a great deal to the up-to-dateness and completeness of the study, even though only a small part of their actual materials and data can be used in the study in its final form.

"What has been less encouraging has been the constant pressure of governmental and private demands for time of Dr. Mosely, due largely to the tense international situation. While he has cut down on certain of his obligations, it has not always been possible to refuse certain limited demands for time which, cumulatively, had to be met at least in part. However, during the current year, he has received a partial release from teaching and expects to push on to the final stage of writing. The material is now well organized, but the writing will require a great deal of free time, which has not been available so far."

Discussion Groups

In addition to the group on the Middle East, discussed above, we have organized two other discussion groups, dealing respectively with *United States Interests in the Mediterranean* and *European Labor in the East-West Conflict*. Charles E. Saltzman will be chairman of the Mediterranean group which will hold its first meeting on Monday, October 29, with Professor Arnold Wolfers as

discussion leader. Professor Wolfers will consider our policy in the Mediterranean as a whole, and at subsequent meetings we shall consider our policy in particular countries along the Mediterranean littoral.

The group on European labor will be under the joint chairmanship of Boris Shishkin, economist of the American Federation of Labor, and Michael Ross, Director of the Department of International Affairs, C.I.O. At the first meeting, which we plan to hold on November 1, we expect to have J. H. Oldenbroek, Secretary General of the International Confederation of Free Trade Unions, as discussion leader. At subsequent meetings we plan to have as discussion leaders several of the important labor leaders representing several different European countries and different tendencies within the European labor movement.

Meetings

The Council so far this year has held three full membership afternoon meetings, and two dinners, one of these also for our full membership. They are as follows:

Dinners

Subject: Anglo-American Relations
Guest of Honor: Anthony Eden
Presiding: John W. Davis
Date: August 28, 1951

This dinner, to which the full membership was invited, was held at the Colony Club, with 270 members of the Council and Mrs. Allen W. Dulles present.

Subject: France's Post-Election Political Situation
Guest of Honor: Andre Siegfried
Presiding: Grayson L. Kirk
Date: September 25, 1951

Afternoon Meetings

Subject: The Situation in France Today
Guest of Honor: David K. E. Bruce
Presiding: Hamilton Fish Armstrong
Date: September 18, 1951

Subject: Indo-China
Guest of Honor: Gen. Jean de Lattre de Tassigny
Presiding: Allen W. Dulles
Date: September 25, 1951

Subject: The Atlantic Community after Ottawa
Guest of Honor: Philip C. Jessup
Presiding: Allen W. Dulles
Date: October 16, 1951

Three other full membership afternoon meetings are now scheduled for the coming month. Mr. Henry F. Grady will talk on "The Iranian Crisis" on October 22, Mr. John Foster Dulles on "The Implications of the Japanese Peace Treaty" on October 31, and Mr. Geoffrey Crowther on "After the British Election" on November 15. Governor Dewey has agreed to talk on U. S. policy in the Far East some time in December.

We are arranging a dinner on November 8 for Mr. Eugen Kogon, editor of the *Frankfurter Hefte*, who will talk on German rearmament, German unity, and their relation to European unity.

Meeting to consider the Integration of Refugees into German Life. Following the suggestion made by Mr. Ruml at the Committee's June meeting, the staff brought together an *ad hoc* group of Council members on August 7 to consider an E.C.A. report on *The Integration of Refugees into German Life*. The group consisted of 11 members particularly interested in German affairs. Mr. H. C. Sonne, Chairman of the E.C.A. Technical Assistance Commission, who prepared the report, summarized its conclusions and discussed the methods by which the United States might participate in implementing the plan for dealing with the refugees.

Publications

Collective Action in Korea: A Study of American Policy in the United Nations, by Leland M. Goodrich

This book took its origin in a series of meetings of a Council study group. The author, who was the research secretary of the group, has already completed a first draft of the first four chapters. In a recent meeting the group discussed at some length his tentative conclusions on U.S. policy which will be the basis of the final chapter.

The book will run to 200-225 printed pages, including documents in an appendix. Harper's has agreed to take over distribution on the usual terms.

Trade and Payments in Western Europe, by William Diebold, Jr.

About one-third of the manuscript of Mr. Diebold's book is now in galley proof, and a second third has gone to the printer. Harper's has scheduled this book for Spring publication.

Aid to Europe: Political and Military Aspects, by Lindsay Rogers

Professor Rogers reports progress on the preparation of the report on military and political aid to Europe. He promises a large part of the manuscript at the end of October. This will be circulated to members of the Aid to Europe group for comments and criticism. General Eisenhower, whom Mr. Mallory saw in Paris, has consented to read and comment on the report. A final meeting of the group is contemplated when the manuscript is in semi-final form.

United States in World Affairs, by Richard P. Stebbins

Mr. Stebbins, who has been spending six weeks in Europe, principally in France and Spain, will return in late October to resume work on the 1951 volume.

Theory of International Trade, by Jacob Viner

In July and August 1950, Professor Viner gave a series of six lectures on the theory of international trade at the National University of Brazil. The lectures have been published in Portuguese, and a limited number of mimeographed copies of the English text has been circulated by the author in this country.

We suggest that the Committee consider the publication of the lectures in book form.

Professor Viner's title is misleading. His "lectures" are actually six essays, written in his usual concise and clearly reasoned style. They deal with international trade theory, not in an academic vacuum but with much practical wisdom, relating theory to actual present-day economic relations among modern states. The subjects of the lectures are:

- I. The Classical Theory of International Trade and Present-Day Problems
- II. Recent Trends in the Theory of the Mechanism of International Trade
- III. Gains from Foreign Trade
- IV. Interrelations between Monetary and Fiscal Policy and Commercial Policy
- V. The Influence of National Economic Planning on Commercial Policy
- VI. The Economics of Development

Professor Viner, when asked whether he had any plans for publication in English, said that already three publishers had approached him, but as yet he had made no commitments.

As a rule the Council publishes only books that arise out of the work of its study groups or are written by members of its staff. At its June meeting, however, this Committee gave its approval in principle to commissioning books by competent outside authors on subjects related to the Council's field of interest. On both counts the Viner lectures seem well adapted for Council publication.

Recent Reviews of Council Publications.

War and the Minds of Men, by Frederick S. Dunn

A review, by John A. Irving in *Queens Quarterly* (Autumn 1951), a Canadian review, refers to this book as a "brilliant contribution to the understanding of international relations." The *New Republic* (June 11, 1951), in a review by Professor Emery Neff of Columbia, describes Dunn's book as "a comprehensive, closely reasoned, clearly arranged book which glosses over none of the complexities and difficulties of communication among peoples."

Walter Sharp, in the *Political Science Quarterly* (September 1951) agrees with Dunn's "pungent criticism of UNESCO's confusion of purpose and dispersion of effort" but thinks the author should have given fuller recognition to the inherent limitations under which the Organization has operated. He thinks also that Dunn views too optimistically the possible contributions of social science to psychological warfare. "These observations, however, are not meant to detract from the value of Professor Dunn's pioneer analysis. With shrewd insight,

it reveals the complexity of the task that lies ahead of UNESCO not only, but of the social sciences as well. The Council on Foreign Relations is to be commended for having provided the discussional milieu in which many of the author's ideas, by his own admission, were developed."

The United States in World Affairs, 1950. by Richard P. Stebbins

The *New Yorker* (September 1, 1951) says of "this distinguished annual," "Mr. Stebbins is a cool, factual historian, but he doesn't write in a vacuum emptied of all opinion, and parts of the book, notably those discussing the disastrous cracks in American unity and their causes, will not be pleasing to anyone with immovably fixed ideas."

Frank S. Adams, assistant city editor of the *New York Times*, refers to the book as "scholarly, thorough, dispassionate -- and extremely disturbing" (September 16, 1951). A syndicated review appearing in a large number of U.S. newspapers compliments Stebbins on the "calm and judicial" tone of his book in which events are recorded without emotion or prejudice. "Many chapters make depressing reading, not only because of our fumbings and stumblings, but also because of the timidities and hesitations of our allies. But in the free world, where men like to decide their own fates, it has always been so." (June 16, 1951)

An English periodical, *The Listener* (August 9, 1951), says "Although Mr. Stebbins does not lend the same air of distinction to this volume which Professor Toynbee used to give to the corresponding volume published by Chatham House, he writes in that hard realistic vein which well reflects the American character and approach to world affairs in modern times."

The *Birmingham (England) Post* of July 23, 1951 devoted a quarter page to a review article entitled "Let Us Understand Our Allies." The reviewer, R, says "I have just been reading a most fascinating book. It is not everybody's meat, but it is the kind of book which a student of affairs regards as his basic food. It would be well if more people in this country had to read this sort of literature. There might then be a greater tendency to form, instead of merely to pass,

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judgments on world politics." The remainder of the review is an attempt, based on the book, to explain and largely justify U. S. policy to British readers.

Foreign Relations Committees

As of October 17, fifty-eight Committee meetings had been arranged, most of them by the Council. Scheduled discussion leaders for the twenty-five groups included: Mark Ethridge, Dolf Sternberger, John F. Melby, Paul Gore-Booth, Minoo R. Masani, Alexander Loudon, Hans Olav, Francis H. Russell, Edwin M. Wright, T. Cuyler Young, Brigadier General A. Robert Ginsburgh, USAF, Andre Michalopoulos. Among the subjects for discussion: the role of Western Germany in European defense; the Japanese Peace Treaty and future American responsibilities; Greece, Turkey and NATO; strategic problems in the Mediterranean; Iran and the American position; the arbitration of international disputes; Indian attitudes vis-a-vis the East-West struggle; British power and Commonwealth relations.

During November 6-16, the director of the Committee project will visit Indianapolis, Louisville, Nashville, Little Rock, Tulsa and St. Louis. In the course of this trip he will attend four Committee meetings and will discuss Committee problems with members of the groups in these six cities. This trip will constitute the first leg of a peripatetic journey which will take him to all or nearly all of the Committees by late spring.

The prospect for establishment of a new Committee in Charlotte, N.C., and for re-establishment of a Milwaukee Committee, is now being explored. Other communities under consideration: Portland, Maine; Dallas; Kansas City; Spokane.

The Carnegie grant for Committee work for fiscal 1951-52 is \$30,000. The Committee program for fiscal 1951-52 is being conducted with the understanding that the Council will not apply to the Carnegie Corporation for additional funds for the current year but will presently make application for an increased grant to provide for an expanding Committee program after July 31, 1952.

Newspaper Fellows

With the approval of the Council's Selection Committee, a third newspaper Fellow was appointed for the current year. He is Amos Landman, 35, graduate of Brown University. After service on New York newspapers and in the U.S. Army, Mr. Landman corresponded from China for the *Denver Post*, *Minneapolis Star and Tribune*, *New York Herald Tribune* and *Providence Journal*, and broadcast regularly from China for N.B.C. He and his wife are co-authors of the recently published book, *Profile of Red China* (Simon and Schuster). He is now studying for his M.A. at Columbia University, where he is taking most of his courses in the East Asian Institute, preparatory to work as a correspondent in Japan.

The other Fellows - George Palmer and Hal Lehrman - have also arranged to work at Columbia University. Mr. Palmer is in residence and is concentrating on the Middle East. Before leaving for the Near East last July, Mr Lehrman made arrangements with Professor Mosely to enter upon his further studies of this area late in October.

ER

File in "Council
on Foreign Relations".

Alice